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BACKGROUND-AUSTRIAN STATE TREATY

- In Article 16, Austria agreen:
 - To take all necessary measures to complete "repatriation" of displaced persons and refugees within its territory, and to give assistance to the powers concerned for this purpose.
 - B. There is disagreement over whether this would be voluntary repatriation or not, and over whether this article should include persons arriving since 1945.
 - C. The article further requires Austria to permit accredited representatives of the powers concerned to visit DP's in Austrian camps.
 - D. It prohibits propagasds in DP camps hostile to the interests of the Allied and Associated powers, prohibits activities designed to induce DP's to go to countries of which they are not nationals, and requires the dissolution of any resistance groups in such camps.
 - Several paragraphe, which specify Austrian transport X . responsibilities for "repatriation," and the like, strongly imply that such repatriation is mandatory. The Western position is that it should be voluntary.

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- F. Article 16, which provides for the return of German nationals residing in Austria, in accordance with Allied agreements, has alreedy been dropped with Soviet agreement.
- II. Austria's position on the return of DP's and refugees is not firm:
 - A. On 16 April, Chanceller Reab reportedly told a meeting of People's Party officials that at Hoscow, the USSE had proposed mandatory return of all refugees from Eastern countries.
 - B. Raab did not say whether he had agreed to this proposal, and the proposal does not appear in text of the Austro-Soviet agreement which has been received.
 - C. On 20 April, Enab's "mouthpiece," the News Viener

 Tagesmeltung, stated editorially that "Austria will

 not retreat one step from the right of asylum which
 is the inherent right of a neutral state."
 - D. On 22 April, Read stated to American officials in Vienna that Austria would have the right of asylum under the proposed treaty settlement.
 - E. During the Ambassadors' negotiations in Vienna on 2 and 3 May, Amstrian representatives, along with representatives of the Western Powers, proposed and argued for the elimination of Article 16 in its entirity.

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III. The Soviet position is apparently firm:

- A. In Vienna, the Seviet Ambassador has refused to delete Article 16, but has agreed to give consideration to an American proposal to remove the last four paragraphs (the parts which would put the most pressure on refugees to return).
- B. Moscow obviously is interested both in getting refugees to return to Orbit countries and in preventing anti-Communist emigre groups from operating in Austria and will try to leave Article 16 (which, in its view, makes "repatriation" mandatory) unchanged.
- C. The Soviet propaganda position on this matter is weak, however, and the USSR may be willing to compromise--particularly on the Foreign Hinisters' level--if some concession seems tactically necessary.
- IV. British and French negotiators in Vienna have whole heartedly advocated solving the question by deletion of Article 16.
- V. Displaced persons (i.e. pre-1945 arrivals) and refugees (i.e. post-1945 arrivals) new in Austria are as follows:
 - A. Total--23,485.
 - B. Unknown but small number of these are Soviet.
 - C. 7,702 are Bulgariass, Hungarians and Rusanians.
 - D. 11,941 are Tugoslav.
 - E. American officials fear that Article 16 could be construed to apply to all foreign refugees in Austria, in or out of camps.

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- VI. Article 17 of the treaty agrees that Austria shall:
 - A. Maintain a defensive force "closely restricted to meeting tasks of an internal character and local defense of frontiers."
 - B. The land army, including frontier guards, antiaircraft troops, gendarmerie and river gendarmerie, is limited to a total strength of 53,000 men.
 - c. The air force is limited to 90 planes (acluding reserves), of which not more than 70 may be combat types, and total personnel strength is held to 5,000 men. Austria shall have no bomber aircraft.
- VII. Articles 18 through 30 of the treaty also deal with conditions under which armed forces are to be raised and maintained--eligible personnel (no ex-Nazis), types of weapons and aircraft, policy toward possible future German rearmament, etc.
- VIII. The Austrian government would welcome revisions in the treaty to permit an increase of armed forces by 35,000 sen.
 - X. UX and French advocate an increase in Austrian armed forces.
 - IX. Soviet position on an increase in Austrian armed forces is not yet definitive. Thus far:
 - A. Soviet Ambassador during talks in Vienna, has declared he is not authorized to discuss any revision of Article 17 and has also opposed changes in the other military articles.

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B. Prayda has sharply attacked proposals for increasing the size of the army as an attempt to destroy Austrian neutrality and draw her into a military bloc.